Ohio Rail Development Commission

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January 7, 2010

Dear Commissioners:

Enclosed please find relevant information to the **Thursday, January 14, 2010** commission meeting. Minutes of the November 19, 2009 commission meeting are enclosed for your review.

This meeting will be held at the **Ohio Department of Transportation's Headquarters, 1980 West Broad Street, Columbus, Ohio, Auditorium, Lower Level**, beginning at 10:00 a.m. If you haven't already done so, please contact Suzy Pettet to confirm your attendance. You may reach her at 614/728-9497 (telephone) or by e-mail at suzanne.pettet@dot.state.oh.us

We look forward to seeing you.

Sincerely,

James G. Bradley
Chairman

enclosures

(1)

THE OHIO RAIL DEVELOPMENT COMMISSION

MEETING AGENDA

Thursday, January 14, 2010, 10:00 a.m.
Ohio Department of Transportation Headquarters
1980 West Broad Street, Auditorium, Columbus, Ohio

CALL TO ORDER: James G. Bradley, Chairman

- Welcome
- Roll Call
- Approval of Minutes from November Meeting

EXECUTIVE DIRECTOR REPORT: Matt Dietrich

FINANCE REPORT: Megan McClory

ITEMS FOR APPROVAL

- Resolution 10-01: Deltech Polymers Corp. Loan & Grant for Rail Turnout Reinstallation and Spur Rehabilitation
- Resolution 10-02: Repair of W&LE Maumee River Swing Bridge

REPORTS OF COMMITTEES

- Review of Committee Structure (possible consideration of motion to implement)
- Panhandle Long Term Lease
- Human Resources
- Long-Term Strategy/Economic Development
    - State Rail Plan Update

OLD BUSINESS

NEW BUSINESS

- Concept Presentation on High Speed Rail Manufacturing Center, EWI
- Presentation of 3C Quick Start Project Management Plan, Brandon Perkins

PUBLIC COMMENT

ADJOURN

MINUTES OF THE OHIO RAIL DEVELOPMENT COMMISSION
REGULAR BI-MONTHLY MEETING
November 19, 2009

CALL TO ORDER

The meeting of the Ohio Rail Development Commission was called to order by Chairman James Bradley at 10:08 a.m. on Thursday, November 19, 2009. Chairman Bradley introduced himself to the Commission and indicated that he is a graduate of Carnegie Tech (now Carnegie Mellon) and spent 40 years in the steel industry. His last role was as CEO of the Wheeling-Pittsburgh Steel Corporation.

MEMBERS PRESENT

Members present included: Chairman James Bradley, Commissioners Tom McOwen, Solomon Jackson, Herk Wolfe, Rob Greenlese, Bill Lozier, Mandy Kisling Bishop, Larry Sowers and Representative Robert Hagan, Josh Williams for Senator Jason Wilson, Kimberly Wheeler for Senator Steve Buehrer, and Nick Brusky for Representative Terry Boose. Members absent included Commissioner Barbara Bennett. Commissioner William Murdock arrived at 10:17 a.m. There were nine voting members present therefore a quorum was obtained.

APPROVAL OF THE MINUTES OF THE SEPTEMBER MEETING

Chairman Bradley asked for a motion to approve the minutes of the September 10, 2009 meeting. Commissioner Wolfe moved to approve the minutes and Commissioner Greenlese seconded the motion. Roll call was taken. The minutes were approved as presented with eight votes in the affirmative.

EXECUTIVE DIRECTOR'S REPORT

Director Dietrich presented the Executive Director's Report on page 15 of the meeting packet. He noted a couple of items of interest. Regarding the State Rail Plan, Wilbur Smith and Associates have been hired as consultants. The primary purpose of the initial plan is to comply with the federal requirements that are detailed in the Passenger Rail Investment and Improvement Act, which was passed in 2008. We intend to present a draft to the Commission at the January meeting for approval, again understanding the timelines and the need to have this plan in place.

The Amtrak Report was presented as a draft report in September and included in our ARRA application for passenger rail. We are working with Amtrak Staff to make revisions based on our review and comment period. We have had conference calls with Amtrak and they are revising the document. We are still slated to receive the final report in December.

Previously, ORDC teamed with the Department of Development and the Department of Transportation in project recommendations for the State Stimulus Logistics and Distribution Program that was a $100 million program. To date, approximately $50 million in funding has been allocated.

On October 22, ORDC received an offer to purchase the state-owned Piney-Fork Rail Line (page 17 of meeting packet). Ohi-Rail has operated the line since 1984. The line was purchased by the Ohio Rail Transportation Authority in 1982. In 2004 an appraisal was conducted with an estimated net liquidation value of approximately $1.3 million. We will continue discussions with Ohi-Rail on this. Richard Delatore, the Vice President of Ohi-Rail Corp. said they had submitted a letter with an offer to purchase the Piney Fork Rail Line four or five years ago. At

the time, they just couldn't put the deal together. The price at that time was approximately $1.4 million. Mr. Delatore wants to make sure the Commission understands they are not interested in liquidation. They are interested in preservation. It is going to be risky and it is not going to be easy, but they figure they can do it. They are making a commitment to the area. They would like the Commission's consideration.

Director Dietrich reported that last week he testified before the Sunset Review Committee, which is a legislative committee that reviews various state committees and commissions on a five year cycle, on the Interstate High Speed Intercity Rail Passenger Network Compact and just received notice from the committee chairman's office that the Midwest Interstate Passenger Rail Compact will be up for review possibly the first week of December.

Director Dietrich noted that Tod Darfus was an expert witness in a closure case that was before the PUCO. As a result of the work of the railroad and Mr. Darfus' testimony, the PUCO ordered that crossing in Marion County to be closed.

Director Dietrich said there were a couple of points of clarity to be made on the letter from Ohi-Rail. They say they have a renewed commitment to restart freight operations. Commissioner Lozier asked if it is now not active. Director Dietrich said that it is in various states, but much of it is not necessarily in good shape. Commissioner Lozier also asked about the letter stating that Ohi-Rail intends to have the line appraised. Will there be a new appraisal? Director Dietrich said that is one of the discussion points that we will have with Ohi-Rail moving forward. For appraisals, we normally follow the standard state processes. Commission Lozier commented that he thought it was great that Ohi-Rail wants to get this line active and that this is moving forward.

Commissioner Jackson asked if Ohi-Rail is asking the state to help finance it or what is there plan should we reach an agreement on price. Director Dietrich said we have not had these conversations yet.

Commissioner Jackson had one other question in the Executive Director's Report. At the retreat, there was a considerable amount of confusion over the task of Wilbur Smith and Associates. The overall question is, have we eliminated the amount of confusion that many of the commissioners had at the time with regard to the assignment and also do we have someone in place to monitor the work to ensure that we will get what we need. One of his concerns is that we will have a Commission Meeting in January and see the information in January and it is not quite clear that they are on the right path.

Director Dietrich said there is a team on the administrative side. This state plan resulted from a request to the DOT and so there is an engaged contract administrator/project manager, as well as engagement by Commissioner Bennett and members of the ORDC Staff. From the retreat there was a sense of a great deal of wants from the Commission and then also we needed to try to mesh those with what we need to do to be in compliance with the federal regulations. After that, we can get into the wants of the Commission in terms of what do we want above and beyond the minimum requirements. Commissioner Bishop is leading the Transportation Futures Plan effort for ODOT and Director Dietrich is the ORDC representative to the interagency working group so there is plenty of opportunity to make sure that the State Rail Plan will fit into that broader vision. Commissioner Bishop said from the get-go, they scoped these two plans together and they have always had every intention of taking the elements from the State Rail Plan and

molding them into the Futures Plan so that the documents were coherent and that they weren't duplicating efforts. Director Dietrich said once we get minimum requirements then we can look at the additional desires of the Commission and then we can make a firm assessment of whether those items should be part of the State Rail Plan and/or the Futures Plan.

Representative Hagan asked the Director for a quick review on Piney Fork. Director Dietrich said the line is 43 miles long and is located in Jefferson, Carroll, and Harrison counties. In the 80's it was saved as part of our Rail Line Preservation Program. The preservation of rail lines is first and foremost one of our missions as Commissioner Wolfe has often reminded us. In terms of fitting into the larger picture, it is an asset. It has some potential of a through route and has other potentials as the coal mines are still active there. In terms of fitting with the State Rail Plan, we are in the process of developing the State Rail Plan. There are some lines that have national strategic interest; there are some lines that are lightly traveled, maybe not in the best shape, but those communities and companies they serve consider them the lifeblood for economic reasons. How this line specifically fits into the State Rail Plan, he does not know at this point.

Representative Hagan said there is great interest throughout his area about saving the Ravenna connection. Approximately 15 years ago, it was going to cost $500,000 to just put in the connection. Today it is estimated at $10 million. If we wait any longer, history will show that in the future we will pay additional. Director Dietrich said we are moving forward on the Cleveland/Pittsburgh Corridor on two fronts. The PRIIA Act in the fall directed the USDOT Secretary to study the feasibility of rail in that corridor. Working with our partners in the State of Pennsylvania, we have pulled all the information out of our Ohio Hub Study, and we have submitted that to the USDOT Secretary with a joint cover letter from the Governor of Pennsylvania and the Governor of Ohio, basically providing a study for the Secretary to make that determination for High Speed Rail Designation. In addition, part of the $7 million in PEIS funding received from the TRAC will look at the Cleveland/Pittsburgh Corridor and critical to that are the connections. From the federal standpoint, once we have the route designations, and the routes identified through the PEIS, then we can start making those investment decisions in terms of preserving.

Representative Hagan expressed concern about the way that some of the stimulus funds that have not been needed for the projects for which they were originally designated have been reallocated. He thinks we have to be a little bit stronger in our lobbying and make some effort to make sure that those projects that may be second tier are at least considered. He just wanted to make the Commission aware of that and to just give them a heads up.

Commissioner Bishop stated that as far as the stimulus money goes, what the department really did and the Governor's Office, is work within the confines of the federal regulations and particularly the time constraints. ARRA may not have been the program to do some of the things we would have liked to do.

FINANCE REPORT

Megan McClory, ORDC's Secretary-Treasurer, presented the Finance Report to the Commissioners, which can be found on page 22 of the commission packet. Ms. McClory reported that the packet includes Current Financial Statements regarding outstanding loans and project balances for the Commission's information. Ms. McClory said our major effort right

now is wrapping up authorization of a number of stimulus projects. We are very close to the December 1 deadline that ODOT has established to get a lot of those project details wrapped up and working those agreements and environmental documents and project plans has been quite a challenge and very time consuming. They are getting close and the projects are in good shape to move forward. We are also working with the recipients that we were already able to authorize to get construction underway on those. In the Springfield/Mechanicsburg area, the West Central Ohio Port Authority is doing tie replacement and grade crossing reconstruction at this time. We have other projects out to bid. The Wheeling and Lake Erie was able to do a significant amount of tie replacements along their Cleveland line and a couple of other locations.

The Finance Section also participated in some of the major funding applications that ORDC submitted in September and October. There were two TIGER applications that this Commission approved, the US Rail Car LLC manufacturing facility and the CSX National Gateway initiative. Those were filed on time and we have not received any response other than thanking us for submitting the applications. We are still waiting on word for the passenger application as well.

Gloria Howard and Ms. McClory have been providing staff support to the Human Resources Committee.

We have had some problems with some of our Commissioners' reimbursements in getting the accounting details straightened out. Ms. McClory thinks that will all come together today or tomorrow so the checks should be on their way.

Ms. McClory introduced Suzy Pettet who is from the DOT Division of Transportation System Development. She is helping out today with the minutes. Ms. McClory appreciates Commissioner Bishop's willingness to allow her to help out.

A Staff note for the Fiscal Section – Tom Burns has passed the state bar exam and has been admitted to the bar.

PROJECT BRIEFING: ASHLAND RAILWAY MANSFIELD TO WILLARD LINE LOAN

Lou Jannazo presented the briefing, found on page 27 in the commission packet. The loan amount request is $280,000. The funds will be used to purchase materials that ASRY will install with its own equipment and its own forces over the course of the 2010 construction season. Don Cleland said that the primary customer is AK Steel and the line provides ASRY's primary connection to CSX. ASRY began operations in 1985 and the track has been lowered to "excepted" status because of a lack of investment. His goal is to raise the condition of the track, however that is complicated by the downturn in production at AK Mansfield over the past year. Mr. Cleland further stated that there are hazmat restrictions on the line now and if it is not addressed, they may not be able to operate at all. Commissioner Hagan asked if it was previously a CSX line. Mr. Cleland said that it was. It was purchased from CSX in the 1990s and he understands at one time it was 40 mph track. Commissioner Hagan said he thinks it is now walking speed in some cases. Commissioner Lozier has a concern if AK Steel would drop off in production. AK Steel would need to continue to be a major customer in order for the loan to be repaid. Mr. Cleland said that AK Steel expects to be on a regular production schedule in January. Commissioner Bishop moved to approve the briefing for Ashland Railway Mansfield to Willard Line Loan. Commissioner Greenlese seconded the motion. Roll call was taken with

nine votes in the affirmative.

APPROVED PROJECT BRIEFING: REPAIR OF OHIO CENTRAL SWING BRIDGE OVER THE MUSKINGUM RIVER PARKWAY CANAL

Lou Jannazo said that the briefing can be found on page 36 in the commission packet. The Grant Request is for $131,015. The bridge is 102 years old and is over a canal. It was an old freight waterway and it hasn't been used for freight for many years. The swing bridge rotates. It has to be opened for large pleasure crafts. Ohio Central is in the process of changing their practices. The current bridge and the procedure needed to open it is dangerous and time consuming. The railroad has done extensive research and provided photos to Commissioners of the bridge and its operation.

Commissioner Jackson said from an economic standpoint, it does not improve their bottom line. If they left it closed and just did routine maintenance that would be the way to go. Mr. Pohlod said they would love to leave it closed, but the Army Corps of Engineers requires it to be opened. Commissioner Jackson asked if there were any abilities to renegotiate or is it just the way it has to be. Mr. Pohlod said that the Army Corp of Engineers says that is the way it has to be.

Commissioner Lozier asked about the design life with the nature of repairs. Are Jerry Klein and Mr. Pohlod indicated that they expect the hydraulic system that will be installed to be long-lasting. Right now, they manually open the bridge. The project would allow the process to take between 15-30 minutes instead of 4 hours. Mr. Pohlod confirmed that the bridge is structurally sound.

APPROVED PROJECT BRIEFING: INDIANA EASTERN RAILROAD BRIDGE REPAIRS

Lou Jannazo said that the briefing can be found on page 42 in the commission packet. The Grant Request is for $100,000. The Indiana Eastern Railroad was established in 2005. They have a long term lease from CSX and the repairs in this phase include items to be of Priority 2 or Priority 3. The IERR's corporate goal is to rid the line of all deferred maintenance in five years. The Ohio portion has a couple of good chemical shippers. Currently, the Ohio portion of the line is more profitable than the Indiana section.

APPROVED PROJECT BRIEFING: CITY OF LEBANON, LM&M TOURIST RAILROAD REHABILITATION PROJECT

Lou Jannazo said that the briefing can be found on page 50 in the commission packet. The Grant Request is for $25,000. The City of Lebanon owns 5 miles of railroad between Lebanon and Hageman Junction. It used to be a decent freight line, but the last freight car was in 2007. Tourists generate a lot of economic activity with over 100 businesses. In 2009, the City of Lebanon paid $273,000 for bridge repairs. Commissioner Bishop asked if there was a financing plan for the next two years. Jason Mallard with the City of Lebanon said that they do plan on asking for additional funding.

PROJECT BRIEFING: MARNE BRIDGE REMOVAL

Megan McClory said that the briefing can be found on page 54 in the commission packet. Ms. McClory stated that they hope this to be the culmination of a long standing issue along the state owned Panhandle line. The bridge in question is part of the package that came with the state's purchase of the line in 1992. It is a wooden deck bridge with steel girders and piers and is 160'

long and 12' wide. The bridge is not in good condition both in terms of the wooden decking and the support structure. The property owner, who is otherwise land-locked, started contacting the Commission back when the line was purchased in the early 1990s. Earlier minor decking repairs were made, but the bridge is now in the condition even if we made the deck repairs, it would not be in a condition to carry emergency vehicles which is obviously a major safety concern for the individual living in the property across the bridge. Staff has worked with Ohio Central and has reached an agreement. The railroad has put out bids to remove the bridge and put in a private at-grade crossing to allow access to the property. The briefing is for the Commission to fund the bridge removal and the installation of the crossing.

Commissioner Lozier asked if it has been considered to construct a public road. Ms. McClory said that the railroad has been extremely helpful with working with the adjoining property owner who does have access to a public road. The adjoining property owner did agree to a driveway so that his neighbor could access a public road, but only on a temporary basis. Director Dietrich said that we have looked at every feasible option. This was the only solution we could reach where everyone is satisfied. Mr. Pohlod said that the land owner does have a right to force us to rebuild the bridge. Chairman Bradley asked what the cost would be to rebuild the bridge. Mr. Pohlod said it would be between $400-500,000. Commissioner Greenlese asked about the location of the bridge. Mr. Pohlod said it is 5 miles east of Newark, Ohio.

PANHANDLE LONG-TERM LEASE COMMITTEE REPORT

Commissioner McOwen reported that they finally had a meeting on this subject. He gave a quick history of the lease. They have been working on a long term lease on this property for well over a year and due to the sale of Ohio Central everything was put on hold. They basically reviewed where we are on the lease. We have a lot of background we need to share. Where we came out is that the railroad is going to go back with a fresh prospective and look at the draft of the lease we have so far, and see if we can't make it a little bit easier to read and fix some of the wording that is not quite right. They will be back to us with a new draft and we will have further meetings. Chairman Bradley asked if we had established any type of a proposed timeline as to coming to some kind of an agreement. Commissioner McOwen said we have not. The driving force for even having a 25 year lease was the inability of the previous owners to get a long term finance agreement. If they had a long term lease, they could go to the FRA and get some long term funding for the line. Director Dietrich and Commissioner McOwen will meet to review the lease once the draft is back. The committee will then have a meeting.

STANDING COMMITTEE REPORTS

Budget & Finance Committee – Chairman McOwen

No report.

Human Resources – Chairman Jackson

Committee Chairman Jackson reported that the HR Committee had a meeting on November 3. The purpose was twofold. The first issue was to fine tune a position description for the Project Manager position. During that process, they had invited ODOT Personnel to help navigate on issues that could be encountered should they go ahead and post the position. They had a good discussion about those items and are getting close to having that position posted. The second issue that was discussed and debated was based on discussion at the retreat and the information that was put together concerning staff needs. Chairman Jackson suggests a bold approach to staffing in the Planning Section. The committee will continue that discussion on December 2 at

its next meeting. He welcomes anyone that wants to participate.

Economic Development and Strategic Planning Committee – Director Dietrich
Director Dietrich reported that their focus has been on the State Rail Plan. Director Dietrich, Chairwoman Bennett, ORDC Staff, and Leonard Evans met with Wilbur Smith and Associates to clarify some guidelines. They have a meeting on November 20 to discuss the benefits calculator that has been drafted for the State Rail Plan.

Legislative Committee – Commissioner Molitoris
No report.

Chairman Bradley stated that he has experience with Standing Committees, ad hoc Committees, etc. They are very good ways to improve the efficiency of a group like this. He is interested in exploring how the Commission is organized, looking at the committees that are currently in existence, and considering whether changes should be made. Chairman Bradley proposed that a Special Advisory Committee be organized. Chairman Bradley, Director Dietrich, Commissioner McOwen, and Commissioner Lozier will spend time looking at the organization and report back at the January meeting.

Chairman Bradley made a motion that a Special Advisory Committee be formed to analyze and study the organization of committees that are part of this Commission. Commissioner McOwen seconded the motion. Roll call was taken with nine votes in the affirmative.

OLD BUSINESS
Chairman Bradley said that the 2010 Schedule, presented in draft form, can be found on page 58 in the commission packet. He is not aware of anything that needs changed. If nothing needs to be changed, this will be considered the final schedule for 2010.

The Commission approved a motion at the July meeting to give staff the authority to develop a workout of the Columbiana County Port Authority Loan. Megan McClory will provide an update as well as presenting Resolution 09-25. Ms. McClory stated that the ORDC made a loan of up to $2.1 million in 2003 to rehabilitate the former Youngstown and Southern line. She then summarized the Commission and staff actions to date.

Staff recommends reamortizing the remaining principal balance. The outstanding balance is just over $1.2 million, and staff recommends a term of 60 months and a final payment to consist of all late fees accrued to date, but not paid yet. In addition, to the payment that will be required as part of the new amortization schedule, we propose that Eastern States would pay an additional per car amount in excess of a base to try to repay that principal more quickly than the 60 month term. As a further incentive to speed up the repayments, we are also recommending a provision that allows staff to waive some or all of the outstanding late fees accumulated to date.

Commissioner Lozier asked if they go out of business, where do we rank in getting paid. Director Dietrich confirmed that they do have other outstanding debt. The Port Authority and Eastern States both bear certain responsibilities to guarantee the loan and we hold a shared first or second position on the property.

Commissioner Murdock asked Ms. McClory if there were any additional downsides or concerns

she was worried about. She stated that the Commission has a long history with this loan of trying to find terms that will meet the shared and balanced goals of receiving full repayment of the Commission's and State's funds, but also not forcing a situation where the railroad ends up out of business and we are looking again for someone to save the line.

Commissioner Jackson has a number of concerns about the message we are sending and what kind of message do we want to send. He will be really frustrated if this comes back again. Ms. McClory agrees, but her concern is without our having a clear first position on the line, and with the Port Authority still owning the line, it is the Columbiana County Port Authority along with us who is in the very difficult position here. Ms. McClory is not sure that we would be well served in terms of recovering our investment if we moved forward in declaring the loan in default.

Director Dietrich stated that our purpose is to save rail lines. The line is being preserved. Director Dietrich very much understands Commissioner Jackson's concerns.

Chairman Bradley said he appreciated the comments and concerns. As a state agency it is likely that the Commission gets asked for things that don't pass muster for a commercial loan. Loans are a risky proposition by nature and while we can't throw money away we need to recognize elements of risk. Perhaps the committees can review loan policies but we can't avoid risk.

Commissioner Wolfe stated that staff does a wonderful job and as long as the borrower is paying, he is okay. He hates to see a problem come back. Commissioner McOwen added that in light of our mission to preserve rail service, and because we are getting money back and the company is in business, he is okay with the workout.

Commissioner Murdock made a motion to approve Resolution 09-25 Re: Columbiana County Port Authority Youngstown & Southern Rail Line Rehabilitation Loan Assignment of Loan. The motion was seconded by Commissioner Wolfe. Roll call was taken with nine votes in the affirmative. Commissioner Sowers left after the Columbiana County Resolution 09-25.

NEW BUSINESS

Tom Burns gave a presentation regarding the ORDC/ODOT Railroad Signal Preemption Program. The Power Point slides are filed with the commission packet. He defined the process of preempting a traffic signal based on the approach of a train. Mr. Burns further described the ORDC and ODOT initiative to establish a state standard and to identify crossings and establish a plan for corrective action at intersections that have or should have preemption, and discussed the progress. Overview training sessions were offered in November at 5 training sites statewide and were attended by 154 people. Technical training sessions will be offered in early December and on an on-going basis. Director Dietrich pointed out that Ohio will be the third state in the nation to have a preemption standard. Art Arnold of the Ohio Railroad Associated commented that he attended the first overview training presentation and thinks a lot of crossings that have active warning devices and continue to have crashes may have preemption problems. He stated that local highway officials are starting to recognize these issues.

Commissioner McOwen, Don Damron, and Leonard Evans gave a presentation of Passenger Equipment Options. Commissioner McOwen stated that it was recognized early on that the timing of construction of equipment will be a limiting factor for implementation of 3C service. As such, a working group of Commissioner McOwen, Mr. Damron, and Mr. Evans was formed

to review characteristics, performance, 3C capacity needs, and available equipment options. The working group presented an overview of its findings, which are filed with the commission packet. Diesel Multiple Units (DMUs) have the potential to reduce train-run time, fuel usage, emissions, and maintenance costs. The next steps will be to review 3C vertical clearances; initiate discussions with manufacturers; explore plan and design modifications; and investigate obtaining the services of a nationally recognized expert on passenger rail equipment to assist ORDC/ODOT with the procurement effort. Commissioner McOwen said that they need input from the Commission to tell them if they are on the right track. Chairman Bradley thanked them for all the work they did to present the key issues.

Commissioner Wolfe made a motion that the ORDC recommends that bi-level Diesel Multiple Units be considered the preferred vehicle for the 3C Quick Start Passenger Rail Service at this time. Staff is authorized to continue to investigate this equipment. Commissioner Bishop pointed out that US Railcar LLC is the only domestically-owned manufacturer of an FRA compliant car. In response to a question from Commissioner Wolfe, Chairman Bradley indicated that if Ohio purchases equipment from US Railcar, the Ohio cars will not be made in Gahanna, but that US Railcar has stated an Ohio order would be a factor in their location decision. Commissioner Bishop seconded the motion. Roll call was taken with seven votes in the affirmative.

PUBLIC COMMENT

Erwin Hoffman of Cincinnati is an avid rider of trains. He thinks the Commission needs to look into the café car. Is that really the type of car we need between here and Cleveland? Maybe we should look at a different kind of food service. Also, the trains need to have Wi-Fi. The business cars could have special facilities. Do we have flexibility? Chairman Bradley said we have total flexibility. Commissioner McOwen thought about those things, too. They are going to start looking at refinements. Ohioans haven't taken a train for 30 years. Mr. Hoffman asked if there was a website he could access. Commissioner Bishop told him to go to the 3cisme.ohio.gov website and that comments can be submitted there.

ADJOURNMENT

Chairman Bradley wanted it noted that he appreciates very much Commissioner McOwen serving as Acting Chair of the Commission and for helping during the transition.

Chairman Bradley called the meeting of the Ohio Rail Development Commission adjourned at 12:55 p.m.

Readers please note: a good-quality recording of the meeting is not available. These minutes were compiled based on staff notes from the meeting.

TO: ORDC Commissioners

FROM: Matthew Dietrich

SUBJECT: January 2010 Executive Director's Report

Happy New Year!

This document reflects the accomplishments and highlights of the Ohio Rail Development Commission since the November Commission Meeting.

Overall, most of the recent staff activity has focused on on-going work necessary to continue the major initiatives before the Commission. Much staff time has been spent with the existing ARRA projects for final submission to the Federal Highway Administration Ohio Division by February 1st. Below is a status of the current ARRA projects that ORDC is administering:

- W&LE tie replacement and crossing surface improvements – construction underway. Tie replacement is complete and crossing surfaces will be constructed in the spring.
- Camp Chase Bridge over West Broad Street – bidding closed in late December.
- RJ Corman Western Ohio lines tie replacement and crossing surface improvements – construction underway. To be completed in the spring.
- WESTCO Port Authority track rehabilitation and bridge repairs – construction underway on track rehabilitation. Bridge repair bidding closed in late December.
- Cleveland Commercial Railroad tie replacement – bidding closed in late December.
- Panhandle Rail Line rehabilitation, including Gould Tunnel repairs – bids to go out in January and scheduled to close on March 5, 2010.
- City of Jackson rehabilitation of Bellisio Spur and other lines – Bellisio Spur construction underway. Other rehabilitation work to be bid.
- City of Medina – City is preparing project for bidding.
- Airline Yard (Toledo) – documents being finalized for submission to FHWA.
- NS Double Stack Clearance (Columbus-Cincinnati) – documents being finalized for submission to FHWA.
- Brier Hill Industrial Park (Youngstown) – documents being finalized for submission to FHWA.
- Port of Toledo General Cargo Facility Rail Loop – authorization by FHWA pending.
- Toledo Shipyard Rail Spur – FHWA authorized on 12/30/2009. Bidding is expected to begin later this month.
- Safety Projects
    - City of Macedonia – agreement pending.
    - Village of Minerva – construction authorized.
    - Licking County State Route 79 Surface Reconstruction – completed.
    - City of Delphos - construction authorization pending.
    - City of North Ridgeville – agreement pending.
    - NS line / Montgomery and Warren Counties – agreement pending.
    - State Railroad Crossing Preemption – construction authorization pending.
    - Stark County / Hartsville – construction authorization pending.
    - Wayne County / Smithville to Orrville – under construction.

As you know there is currently debate in Washington for a second round of stimulus funding. ORDC staff has reported to both ODOT as well as the Governor's office that the Rail Commission is very happy

that Congress again recognized the importance of multi-modalism, but is concerned by the proposed timeline of 90 days to contract. From our experience with the previous stimulus funding, this quick project delivery timeline will greatly limit our ability to respond to even the most basic rail improvement projects.

In addition to administration of the ARRA rail projects, another major area of staff work has been with the State Logistics and Distribution Program. This $100 million state program is administered by the Ohio Department of Development. ORDC, with ODOD and ODOT, constituent the project review team. I am happy to report that the Wheeling and Lake Erie secured their $1,306,500 award from this program in December.

Amtrak provided their final feasibility report to the Commission on December 18th. This document is posted to the 3CisMe.Ohio.Gov website. While this document, and the partnership with Amtrak it represents, is a critical element for Ohio's 3C Quick Start project, I want to emphasis it is just one piece of information. As with any study it is a snap shot of conditions at a point in time. Specifically, decisions about travel times and station locations are conservative based on the best available information at the time.

As has been discussed at both the Human Resources Committee as well as the Special Committee to Review Current ORDC Committee Structure, staff is preparing a draft Communications Plan. Historically, the Commission's activities have been limited to the projects it could fund through its own budget. With the trend toward multi-modalism at both the federal and state level, the opportunities for the ORDC to participate as a truly value-added member of a partnership that leverages resources greater than our program budgets alone have greatly increased. This has been amply demonstrated by ORDC's participation in the State Logistics and Distribution Program, the administration of rail-related ARRA funded projects, as well as our ability to partner with ODOT to respond to opportunities such as the 3C Quick Start and the development of the State Rail Plan. It is my hope that the communications plan can provide a context to present all of these various activities and develop a cohesive message about the abilities of the Commission to our partners and clients that can be used by staff, commissioners as well as other state agencies.

I was invited to be part of a panel discussion in Chicago at the American Transportation and Road Builders Association Regional Meeting on December 10th. The ORDC was on a panel with the Federal Railroad Administration and the State of Wisconsin to discuss opportunities for its membership with the passenger rail initiatives. An interesting observation is that this group has some of the same concerns that ORDC is hearing from various rail parties; while the stimulus programs are greatly beneficial, without the certainty of long term program funding through the next transportation bill, additional investment in capacity and employment is more difficult.

As part of our continuing outreach efforts, staff has continued to provide briefings to members of the General Assembly on passenger and other rail-related projects in their area, and Stu Nicholson, has been getting a great deal of requests for information from various media and advocacy groups on our passenger rail initiatives. We anticipate that these requests will increase greatly in the coming months as grant awards for both the TIGER grants as well as the passenger rail grants are announced.

At the staff level, I would like to formally introduce Suzy Pettet as our newest addition to the ORDC team. Welcome Suzy! Finally, staff is working with ODOT Personnel to post another position at ORDC due to a pending retirement.

ACCOMPLISHMENTS REPORT
PLANNING AND PROJECT DEVELOPMENT
November 11, 2009 to January 7, 2010

PLANNER	DEVELOPMENT SPECIALISTS
Don Damron	**Lou Jannazo**
	Bev Lee

FIELD & TRACK INSPECTION

- Field inspection of possible Hillcrest Food Service spur, Cleveland, and Olympic Steel transload in Bedford Hts..
- Field inspection of Ohio Central's Muskingum River swing bridge and W&LE's Maumee River swing bridge.
- Field inspection of latest plans for Dayton passenger station on 3C&D corridor.
- Field inspection of Queensgate Terminals container on barge project in Cincinnati (on the CIND/RailAmerica line) for Ohio Logistics & Distribution Program.

ADMINISTRATIVE

- Helped staff efforts of Human Resources and Committee on Committees.
- Helped prepare agendas and briefing packets for January 14, 2010 meeting including 2 project briefings.
- Developed 4 grant agreements for projects approved at November meeting.
- Did grant agreement amendments to extend time for select projects and to reflect changes in scopes of work and termination dates.
- Did OEPA and Ohio Taxation background checks on various grant recipients from July and September meetings.
- Helped develop interview questions, helped select candidates to interview, helped with interviews, and helped with selection of Susie Pettet as ORDC's new Administrative Assistant.

TRAINING: No Activity

FREIGHT PROJECT DEVELOPMENT AND IMPLEMENTATION

New Project Development/Continued Project Development

- Did final evaluation and recommendation for FY 2010 Rehab projects on January agenda, i.e. W&LE swing bridge.
- Investigated new spur projects in Lorain, Byesville, Middletown, Dayton, Camden, Spencerville, and Cleveland with local development officials, the serving railroads, the companies themselves, and others.
- Continued working on DelTech Polymer rail spur project in Troy and International Wood Fuels spur project in Wellston.
- Continued working on details of Carrollton Branch rehabilitation project and how ORDC funding will interact with newly found CDBG and ARC funding.

Ohio Diesel Emissions Reduction Grant (DERG) Program/National Clean Diesel Program

- Got DERG grant agreement with ArcelorMittal-Cleveland Works RR executed (24 hot

starts).

- Got DERG grant agreement with CSX executed (4 locomotives in Cincinnati).
- Continued coordination with ODOT on all DERG projects.
- Provided support needed to sponsor CSX application for 1 locomotive in Cleveland from National Clean Diesel Program administered by USEPA.

Logistics & Distribution Program:

- Reviewed project applications for Shelly & Co, Cincinnati Barge & Rail, Queensgate Terminals, Yenkin Majestic/Wye Corporation, Grove City and others.
- Detailed evaluation of Queensgate container on barge project including developing list of follow information to be provided by applicant and detailed analyses of project logistics and potential public benefits.
- Attended several project review meetings as well as project analyses/preliminary scoring meetings.

American Recovery & Reinvestment Act (ARRA) Stimulus Funding for Rail Projects

- Continued coordination with City of Jackson on issues that have arisen on the Bellissio Spur project.
- Continued coordination with WESTCO on bridge and track work projects.
- Participated in select meetings and provided assistance on projects such as V&M Star.

PASSENGER PLANNING

Ohio Hub

- Continued coordination with PEIS consultants on $8 million study including meetings telephone calls, and much office review of the entire breadth of the extensive scope of work.

Amtrak /3C Corridor Investigations

- Continued work investigating equipment options and producing various briefing materials.
- Continued coordination with Parsons Brinckerhoff on revenue, ridership, and schedule issues for Quick Start service as part of environmental work.
- Helped finalize the final Amtrak 3C scope of work and final Amtrak 3C report.
- Continued coordination with some of the locals that have station stops via telephone & e-mail.
- Met with Dayton area officials on downtown station.
- Developed a detailed listing of all the necessary steps needed to get 3C stations built and the needed platforms and trackwork on host railroad property constructed.

Other Passenger Initiatives

- Continued coordination with the MWRRI study effort. Attended meeting in Chicago.
- Continued administering Parsons Brinckerhoff study of HSR on 3C which is partially funded by FRA.
- Continued supporting local efforts to develop passenger services.

- Kept abreast of passenger issues in across Ohio and nationally through participation in the States for Passenger Rail.

OTHER PLANNING INITIATIVES

State Rail Plan: Continued to provided detail technical review of draft document; provided review of "project selection framework" report; participated in meeting with new Wilbur Smith Rail Plan leadership; provided other technical support.

MISCELLANEOUS

- Participated in John Carroll University "Logistics Summit"; volunteered to help JCU develop select new logistics course framework.

SAFETY

- Occasional help with select grade crossing safety projects.

WPDOCS/AccomplishmentsCommission

OHIO RAIL DEVELOPMENT COMMISSION
INTER-OFFICE COMMUNICATION

TO: **Matthew Dietrich, Executive Director**

FROM: **Susan J. Kirkland, Manager, Grade Crossing Safety Section** Susan

SUBJECT: **Safety Section Progress Report**

DATE: **January 7, 2010**

The following major objectives were met by the Safety Section during the last two (2) months:

- The ORDC and ODOT - Office of Traffic project to review preempted traffic signals with highway-rail grade crossings consultant, CTC, conducted two detailed training sessions in December on the new preemption standard. The sessions, to train traffic signal consultants on the new standard, were well received by 126 participants. Feedback indicated an overwhelmingly positive evaluation of the course. Additional training sessions are being planned for the spring.

  CTC will be in Ohio the week of January 18, 2010. It is expected that the preempted traffic signals standard will be finalized and the ODOT Traffic Engineering Manual (TEM) will be modified to reflect the new standard.

- ODOT, Division of Finance and Forecasting has released the audit circulars for our safety projects effective January 1, 2010. ODOT plans to provide a training session on the Circulars sometime before construction season starts in the spring. The training should be beneficial to all types of entities, including Class I, Regional and Short Line Railroads, local agencies, and internal customers at ODOT and the ORDC.

- Quarterly meetings were held in December with representatives of Norfolk Southern Corporation (NS) and CSX Transportation (CSX). Each quarter, the Safety Section holds project meetings with both NS and CSX to review progress on non-standard projects. The project meetings are a significant tool for progressing projects and facilitating communication between the ORDC and the railroads.

  As part of the quarterly meetings, Tom Domres of TKDA presented at both meetings about services his company provides for grade crossings closures. TKDA does all the preparatory work (research, maps, measurements etc.) to build the case for a closure. His company has been successful in other states in bringing redundant crossings through the closure petition process. The presentation was well received and the Safety Section is evaluating how this service could be tested in Ohio.

- On January 25, 2010, a meeting is scheduled with CSX, NS, the Ohio Railroad Association (ORA) and FHWA to plan for our upcoming Stop/Yield Crossbuck Program. This program, involving the placement of stop or yield signs at all public grade crossings with passive warning devices, must be completed within ten years of the 2009 MUTCD publication; but, CSX and NS have requested that is be fast-tracked because of requirements on retro reflectivity by January 2011 contained in the 2008 Railroad Safety Act.

- As reported previously, CSX petitioned the PUCO for the closure of the CSX crossing on Ulsh Road, TR250, in Marion County, Claridon Township, and PUCO found the crossing to be redundant and should be closed. The community filed an application and motion for rehearing. The application was denied by PUCO and, unless the community appeals to the Ohio Supreme Court, the crossing is to be closed by January 15, 2010.

MEMORANDUM
January 6, 2010

TO: ORDC Commissioners
FROM: Megan McClory
SUBJECT: Finance Report

Accomplishments and Highlights of the Finance Section from November 10, 2009 to January 6, 2010:

1. **Financial Statements.** Staff has prepared statements to reflect current outstanding loans, revenue collection, and project balances. Those statements are included with this report.

2. **ARRA Projects.** ORDC has been working with colleagues at ODOT and the Ohio Division of the Federal Highway Administration to administer approximately $64 million of Ohio's ARRA funds for rail-related projects. The remaining projects should be sent to the Federal Highway Administration in the next few weeks for authorization.

3. **Support of Passenger Planning Efforts.** In September, ORDC contracted with R.L. Banks and Associates to provide expert assistance on station information needed for the 3C Quick Start application. We have further engaged the same firm to provide expert assistance with further evaluating passenger equipment, specifically the bi-level DMUs the Commission discussed at the November meeting. The funds for this second engagement are a result of savings that we expect to realize by restructuring staff payroll across funding sources.

4. **Human Resources Committee Staffing.** Gloria Howard and I continue to provide staff support to the Human Resources Committee.

ORDC - Loan Payback (Active Loans)
January 6, 2010

	Loans	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	App, Loan, Interest & Admin. Fees	Total Payments
FY03 Portage Cty Solid Wst Mgmt. *	$80,000	$16,495	$9,622							***$3,279***	***$83,279***
*FY04 Columbiana County Port Authority **	*$2,098,047*	*$430,072*	*$433,408*	*$216,704*						***$110,059***	***$2,208,105***
FY04 Maumee & Western *	$199,088	$29,502	$29,502	$17,209						***$8,460***	***$207,548***
FY05 Seneca-Sandusky-Tiffin Port Auth*	$290,000	$61,217	$10,203							***$16,267***	***$306,267***
FY05 Ashland RW (Mansfield Yard Rehab)*	$500,000	$106,935	$8,911							***$41,285***	***$541,285***
FY05 I&O (Fulton County Processing, Ltd)*	$242,335	$52,681	$8,780							***$24,266***	***$266,601***
FY07 Marion Industrial Center *	$273,000	$68,569	$68,569	$68,569	$22,856					***$32,078***	***$305,078***
FY07 WESTCO *	$308,000	$47,013	$50,026	$50,026	$50,026	$50,026	$25,013			***$35,760***	***$343,760***
FY08 WESTCO (Sugar Creek Bridge) *	$280,417	$40,060	$41,885	$43,189	$43,189	$43,189	$43,189	$17,995		***$20,147***	***$300,565***
FY07 Village of Leipsic *	$825,000	$126,923	$131,318	$135,713	$135,713	$135,713	$135,713	$67,857		***$52,702***	***$877,702***
FY09 Lancaster Port Authority *	$145,163	$48,952	$49,743	$29,017						***$4,911***	***$150,074***
FY09 WESTCO (Springfield/WCH) *	$400,000	$52,381	$57,143	$60,079	$60,345	$60,345	$60,345	$60,345	$5,029	***$20,513***	***$420,513***
FY06 Harrison Ethanol ***	$500,000										
FY06 Wheeling & Lake Erie ***	$150,000										
FY07 Wheeling & Lake Erie ***	$378,600										
FY08 MGQ, Inc. ***	$300,000										
FY08 City of Jackson ***	$300,000										
	$7,269,650	**$1,080,799**	**$899,110**	**$620,507**	**$312,130**	**$289,274**	**$264,261**	**$146,198**	**$5,029**	***$369,726***	***$6,010,776***

Loan Amount Received to Date: **$508,052**
Loan Balance Due: **$572,747**

*Loans Active
**Loans Paid Off
***Loans in Process

20

Revenue Received FY 2010
December 2009

Name	CT #	Invoice #	Reimburse-ments 7002/GRF	Refund 4N4(53490)	Gas & Oil Leases, Royalties and Other - 4N4 (49995)	ORDC Loan Payment - 4N4 Fees (29991)	ORDC Loan Payment - 4N4 Princ. (79955)	ORDC Loan Payment - 4N4 Inter. (79956)	Running Total
Ashland Railway		Electronic					8,754.17	157.04	467,264.47
I&O (FCP)		Electronic					4,281.93	108.14	471,654.54
Lancaster Port Authority		Electronic					4,032.30	0.00	475,686.84
MIC		Electronic					4,869.00	845.12	481,400.96
Maumee & Western RR		Electronic					2,354.30	104.17	483,859.43
SST Port Authority		Electronic					5,000.37	101.03	488,960.83
Village of Leipsic		Electronic					10,576.92	0.00	499,537.75
WESTCO #1		Electronic					3,666.67	0.00	503,204.42
WESTCO #2		Electronic					3,338.30	0.00	506,542.72
WESTCO #3		Electronic					4,761.90	0.00	511,304.62
Kleese	51				19.68				511,324.30
MFC Drilling	51	RA0032			250.00				511,574.30
Aqua Ohio	52	RA0031			289.83				511,864.13
Apex Environmental	52	RA0030			4,500.00				516,364.13
Genesee & Wyoming	53	APEX-October			8,290.00				524,654.13
Dennison Railroad Depot	54	Lease Renewal			250.00				524,904.13
Rail Staff (phone call reimbursement)	55		18.07						524,904.13
Eastern States Railroad	56	RA0036(backpay)				13,409.91	8,595.18		546,909.22
Genesee & Wyoming	57	APEX-November			7,560.00				554,469.22
NGO Development Corp.	58				53.66				554,522.88
Portage County (Solid Waste)	59	RA0035					1,352.43	22.14	555,897.45
Dominion	60	RA0040			289.83				556,187.28
Jefferson County Water & Sewer	60	RA0041			500.00				556,687.28
National Gas & Oil Cooperative	60	RA0042			750.00				557,437.28
Genesee & Wyoming	60	RA0046			2,500.00				559,937.28
		Monthly Total	18.07	0.00	25,253.00	13,409.91	61,583.47	1,337.64	101,584.02
		Grand Total	140.27	0.00	104,338.49	56,800.61	388,576.84	10,221.34	559,937.28

OHIO RAIL DEVELOPMENT COMMISSION: January 2010 Finance Report

GRF APPROPRIATION AVAILABLE FOR PROJECTS

GRF APPROPRIATION FOR PROJECTS		1,405,050
LESS: BUDGET REDUCTION (net)		
LESS: PROJECTS ENCUMBERED or DISBURSED		
City of Lebanon LM&M Tourist Railroad Rehabilitation	**25,000**	
Cleveland Commercial Randall Secondary	**110,000**	
Indiana & Ohio Lancaster Industrial Track Rehab	**114,310**	
Indiana & Ohio Midland Sub Phase II	**200,000**	
Mercer Landmark	**100,000**	
Ohio Basic Minerals	**30,000**	
Ohi-Rail/Piney Fork Bridges & Crossings	**94,137**	
Operation Lifesaver	**1,300**	
LESS: PROJECTS APPROVED BUT NOT ENCUMBERED		
Bellaire Harbor Services	**80,000**	
Indiana Eastern Railroad Bridge Repairs	**100,000**	
Ohio Central Swing Bridge Repair	**131,015**	
LESS: PROPOSED GRF COMMITMENTS FOR FY 2010		
Deltech Polymers	**24,000**	
Wheeling & Lake Erie Maumee River Swing Bridge	**155,000**	
TOTAL	*1,164,762*	*-1,164,762*
BALANCE OF GRF APPROPRIATION FOR PROJECTS		***240,288***

RAIL FUND 4N40 - REVOLVING LOAN FUND	**Uses of funds**	**Spending Authority**	**Cash**
Cash Balance as of 1/5/10			**5,671,009**
LESS: OPEN ENCUMBRANCES	1,718,000		
LESS: PANHANDLE RESERVE FUND	762,600		
TOTAL	*2,480,600*		*-2,480,600*
FISCAL YEAR 2010 APPROPRIATION		**2,111,500**	
LESS: PAYROLL FROM LOAN AND LICENSE FEES (Budgeted)	196,534		
LESS: PROJECTS ENCUMBERED or DISBURSED			
Ohio Basic Minerals	**32,000**		
LESS: PROJECTS APPROVED BUT NOT ENCUMBERED			
Ashland Railway Mansfield to Willard Line (Loan)	**280,000**		
Columbus & Ohio River; Marne Bridge (Grant)	**136,855**		
LESS: PROPOSED COMMITMENTS FOR FY 2010			
Deltech Polymers	**337,457**		
TOTAL	*982,846*	*-982,846*	*-2,111,500*
APPROPRIATION BALANCE OF FUND 4N40 AVAILABLE FOR PROJECTS		***1,128,654***	
ADDITIONAL CASH BALANCE OF FUND 4N40 AVAILABLE*			***1,078,909***

**Funding projects beyond the appropriation balance would require Controlling Board approval.*

FY 2010 Project Balance Summary

Remaining GRF Appropriation for Projects	**240,288**
Remaining 4N40 Appropriation for Projects	**1,128,654**
Balance of ORDC Appropriations for Projects	**1,368,942**

OHIO RAIL DEVELOPMENT COMMISSION
APPROPRIATION LEDGER
For Month Ending December 31, 2009

FUND	SAC	FEDERAL STATE/OTHER	ORIGINAL APPROPRIATION	TRANSFERS	UNASSIGNED	ADJUSTED APPROPRIATION	OPEN ENCUMBRANCES	TOTAL DISBURSED	UNENCUMBERED BALANCE	PERCENT UNOBLIGATED	SAC DEFINITION
GRF	4FA5	STATE	2,125,835.00	(20,000.00)	860,975.00	1,244,860.00	673,447.00	1,300.00	570,113.00	45.80%	GRANT (ALL)
GRF	465M	STATE	35,000.00	45,500.00	0.00	80,500.00	44,000.00	28,169.86	8,330.14	10.35%	PERSONAL SERVICE/OTHER
GRF	4651	STATE	754,000.00	0.00	37,162.33	716,837.67	0.00	372,837.67	344,000.00	47.99%	PAYROLL
GRF	4652	STATE	156,936.00	(25,500.00)	32,936.00	98,500.00	0.00	8,575.42	89,924.58	91.29%	OFFICE EXPENSE
	FUND TOTAL		3,071,771.00	0.00	931,073.33	2,140,697.67	717,447.00	410,882.95	1,012,367.72	47.29%	FUND TOTAL - GRF
7002	4FN7	FEDERAL	1,351,000.00	1,166,787.04	0.00	2,517,787.04	147,166.00	0.00	2,370,621.04	94.15%	GRADE CROSSING PAVEMENT
7002	4FPM	FEDERAL	12,000.00	0.00	0.00	12,000.00	0.00	0.00	12,000.00	100.00%	GRADE CROSSING PERSONAL SERVICE
7002	4FP1	FEDERAL	637,000.00	0.00	16,580.79	620,419.21	0.00	332,419.21	288,000.00	46.42%	GRADE CROSSING SAFETY'S PAYROLL
7002	4FP7	FEDERAL	11,000,000.00	5,084,693.16	0.00	16,084,693.16	2,901,507.74	498,536.96	12,684,648.46	78.86%	GRADE CROSSING DEVICES
	FUND TOTAL		13,000,000.00	6,251,480.20	16,580.79	19,234,899.41	3,048,673.74	830,956.17	15,355,269.50	79.83%	FUND TOTAL - 002
4N40	6FC9	OTHER	1,914,966.00	0.00	0.00	1,914,966.00	120,000.00	0.00	1,794,966.00	93.73%	RAIL TRAN - LOANS
4N40	6FD9	STATE	762,600.00	0.00	0.00	762,600.00	0.00	0.00	762,600.00	100.00%	PANHANDLE LEASE PAYMENT
4N40	6111	STATE	196,534.00	0.00	5,033.88	191,500.12	0.00	100,792.12	90,708.00	47.37%	PAYROLL(PROPERTY MGNT)
	FUND TOTAL		2,874,100.00	0.00	5,033.88	2,869,066.12	120,000.00	100,792.12	2,648,274.00	92.30%	TOTAL - OTHER ASSISTANCE
	GRAND TOTAL		18,945,871.00	6,251,480.20	952,688.00	24,244,663.20	3,886,120.74	1,342,631.24	19,015,911.22	78.43%	

PROJECT BRIEFING:
DELTECH POLYMERS CORPORATION LOAN AND GRANT
FOR RAIL TURNOUT REINSTALLATION AND SPUR REHABILITATION

January 7, 2009

Project Funding		Project Benefits
ORDC Loan	**$337,457**	**Deltech Plant Back in Operation in Troy**
ORDC Grant	**$24,000**	**12 New Jobs; 42 to 86 New Carloads/Yr**

INTRODUCTION: Deltech Polymers Corporation (Deltech), a subsidiary of Deltech Holdings, requests a loan of $337,457 to pay for the reinstallation of a mainline turnout by CSX, and a grant of up to $24,000 to rehabilitate Deltech owned spur tracks in Troy. The ORDC Executive Director committed to provide this funding to the company. ORDC Staff requests that ORDC Commissioners empower the Executive Director to set the final terms of the loan. The Executive Director's commitment letter stated loan terms would be a 5 year duration, 0% interest in year one, 2/3 of the Prime Rate (at the time of closing or formal approval by ORDC, whichever is less) in years two through five, with the loan backed by a corporate guaranty by Deltech Holdings secured by a reserve from Deltech Holding's secure revolving note.

PR 3.25%

BACKGROUND:

Overview of Deltech Holdings, Subsidiary Companies, and the Troy Plant: Deltech Holdings includes the Deltech Corporation, Deltech Polymers, Deltech Resins, and other companies. It has plants in Baton Rouge, Louisiana, Newark, New Jersey, Newell, West Virginia, Haverhill, England, and Itapeva, Brazil. These plants produce a wide variety resins, monomers, and polymers used in many different applications and industries.

Exhibit "A" provides a map showing the location of Deltech in Troy. The Deltech plant in Troy will soon be producing specialty crystal polystyrene in several forms. The polystyrene it will produce is basically used to form very hard, brittle, and clear plastics that are used to make consumer products such as bowls, platters, tumblers, various containers, hard cases for various products and other similar products. For many applications, the Troy plant will use feedstock provided by the Deltech Baton Rouge plant. Deltech's Troy plant will not manufacture consumer products directly; it will provide the crystal polystyrene to other companies which further refine it to make various products. The Troy plant will serve niche markets that larger chemical companies are not well equipped to serve.

Deltech operated its Troy plant from 1991 until 2003 with up to 36 employees. In 2003, most of Deltech's production at Troy ceased. By 2006, the entire plant was mothballed. The mothballing of the Troy plant was the result of macro business dealings and issues, not the efficiency of the plant itself or the lack of market for the products it produced. Since 2006, the specialty market which the Troy plant had served has improved as other companies in the industry dropped their production of specialty crystal polystyrene for various reasons including mergers and shut downs.

Getting Troy Plant Back into Operation: Deltech estimates that it will take about $660,000 to get the Troy plant back in operation. This includes about $300,000 in costs to prepare and repair the production facility, to make miscellaneous repairs to the buildings, to acquire new office computers and equipment, to hire and train new employees, and other such costs. It also includes about $361,457 in rail costs described below. Therefore rail costs make up about 55% of the costs of getting the plant back in operation. Deltech plans on having the Troy plant in operation in the first half of 2010.

Rail Issues: The Troy plant is located at between MP 78 and MP 79 of the CSX Toledo to Cincinnati mainline. From 1991 until 2006, Deltech received inbound chemicals on two tracks that it owns. It was served off of a CSX siding track next to the double tracked main through Troy. After Deltech mothballed its operations in

2006, CSX removed the mainline switch between the mainline and the CSX siding track that serves Deltech. The removal of this switch improved CSX mainline operations and lowered its maintenance costs but it also cut the mothballed Deltech plant off from rail service. To reinstitute rail service, Deltech must pay CSX $337,457 to reinstall the mainline turnout. In addition, two Deltech owned spur tracks need some minor repairs that will cost up to $24,000.

PROJECT DESCRIPTION: Deltech has signed a side track agreement with CSX through which Deltech agrees to provide CSX $337,457 up front and CSX commits to reinstall the missing mainline turnout and maintain its sidetracks needed to serve the Deltech plant. The schematic diagram included as Exhibit "B" shows the location of the turnout, of CSX owned sidings, and the two Deltech owned spur tracks. Deltech owned spur tracks will require minor upgrades to get them ready for rail service. A cost estimate from a contractor shows the work to be done and is included herein as Exhibit "C".

WHY ORDC FUNDING IS NEEDED: Deltech Polymers is reopening a plant during a time of recession and tight credit. Rail costs make up about 55% of the costs of reopening the plant. ORDC's grant and loan will help Deltech get through the difficulties of restarting an operation and redeveloping its customer base.

PROJECT BENEFITS:

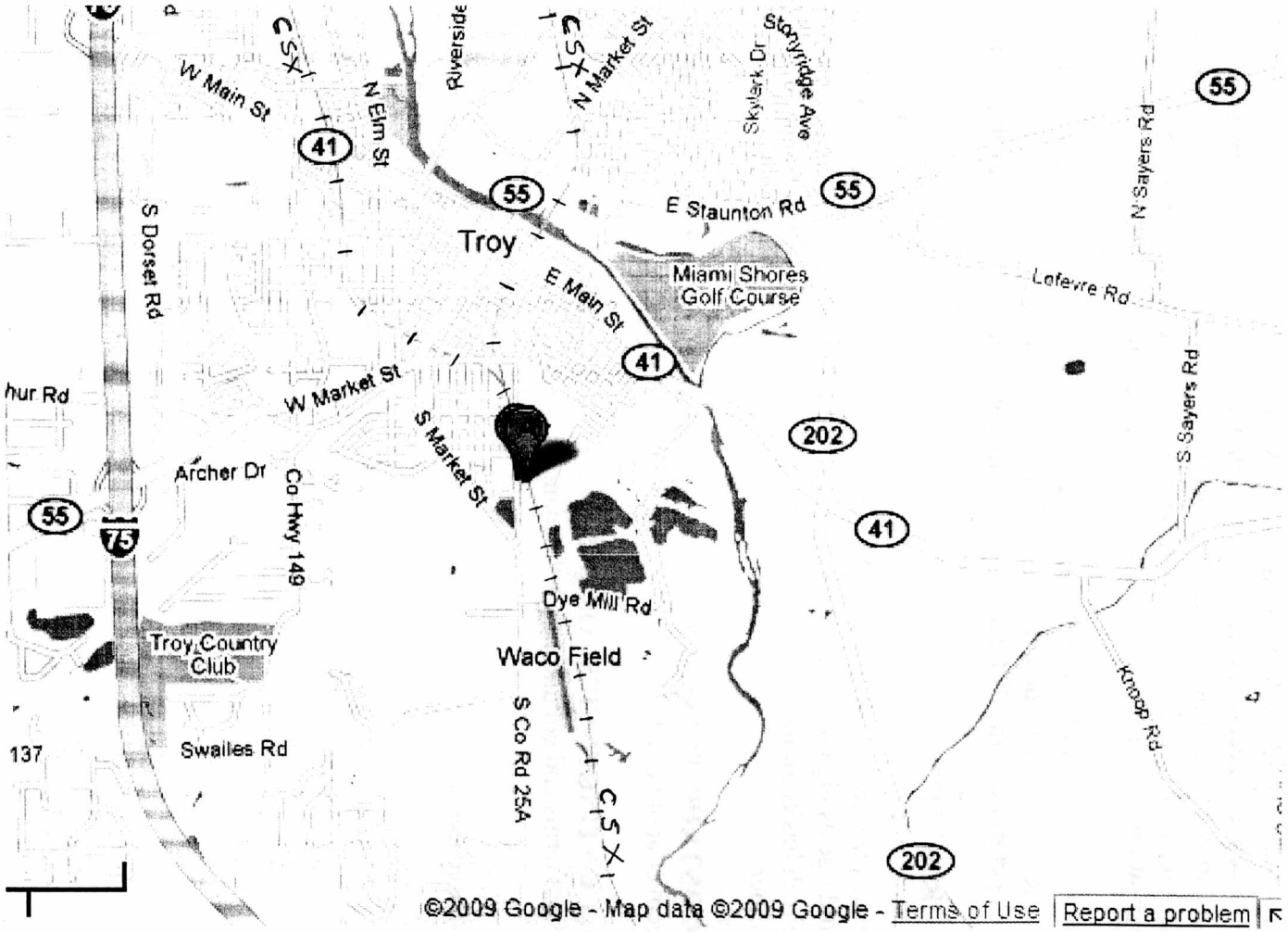
- Deltech has committed to create 12 new jobs; if the Troy operations do well, employment at the plant could rise as high as 20 to 25 people.
- Deltech has committed to generating 42 carloads a year but actual carloading may be double that number.

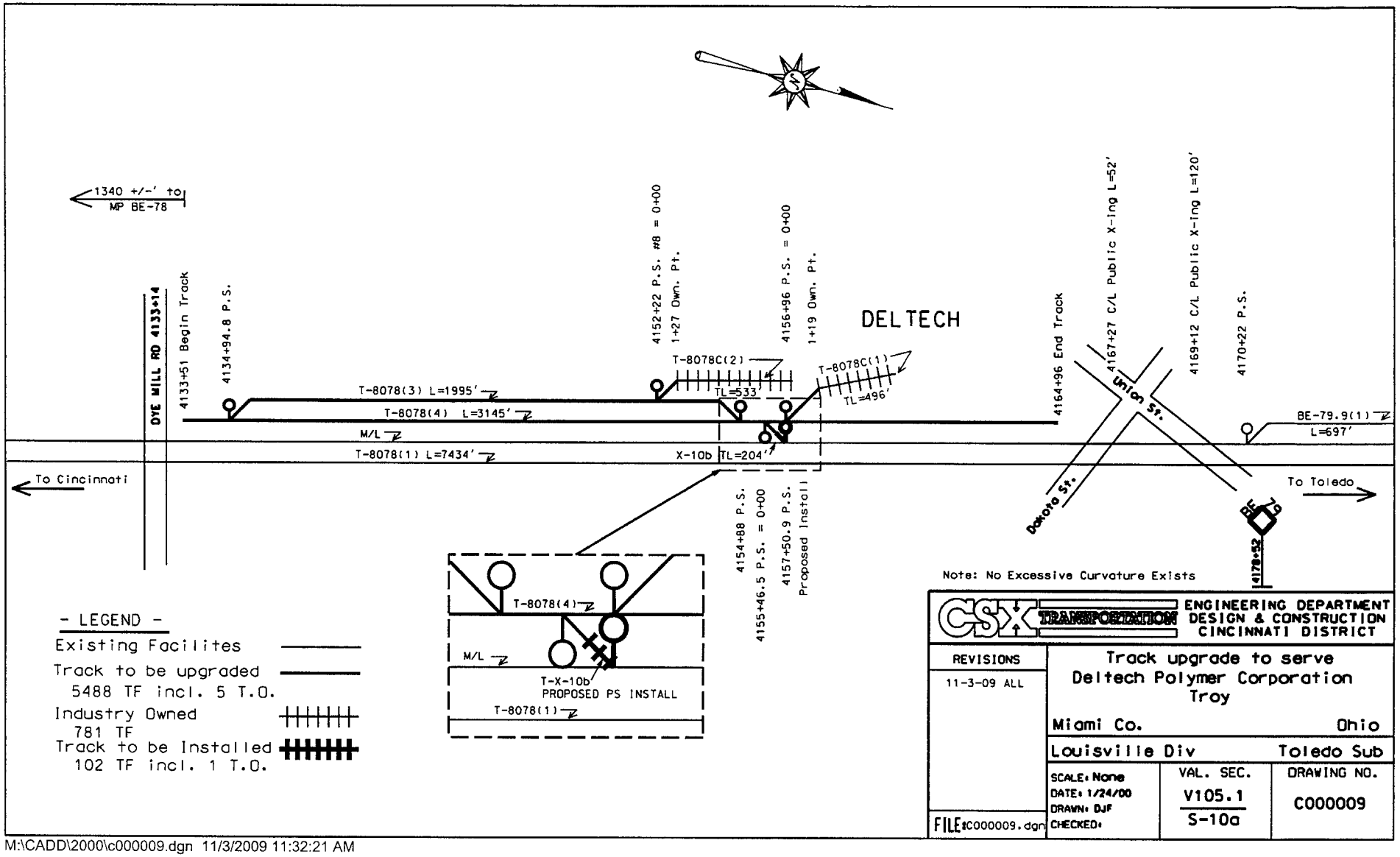
OTHER CONTRIBUTIONS: CSX is providing a generous per car rebate package to Deltech that could help Deltech recover about one half of the costs of the new turnout.

SPECIAL CONTINGENCIES: ORDC Staff asks ORDC Commissioners to empower the Executive Director to set the final terms and conditions for the loan.

w:DeltechLoan&GrantBriefing

Deltech Polymers, Troy





CSX TRANSPORTATION
ENGINEERING DEPARTMENT
DESIGN & CONSTRUCTION
CINCINNATI DISTRICT

REVISIONS	Track upgrade to serve Deltech Polymer Corporation Troy		
11-3-09 ALL	Miami Co. Ohio		
	Louisville Div Toledo Sub		
FILE: C000009.dgn	SCALE: None DATE: 1/24/00 DRAWN: DJF CHECKED:	VAL. SEC. V105.1 / S-10a	DRAWING NO. C000009

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VC

CONSTRUCTION COMPANY
NEWBERRY
10070 Windisch Road
West Chester, Ohio 45069
Since 1928

Railroad Construction, Design & Maintenance Contractors Since 1928

Phone (513) 777-2250 | Toll Free (800) 733-2078 | Fax (513) 777-2291 | Email BobNewberry@cinci.rr.com

ESTIMATE

Submitted To:
Deltech Polymers
Union Street
Troy, Ohio
(937) 620-9231

Date: 08/11/2009
Quote Type: Unit Price
Estimator: Bob Newberry
Attention: Brent Reedstrom

Description

Furnish labor, materials and equipment to make various repairs to your two- railroad track spurs as outlined below. These repairs are based on minimum repairs needed to bring tracks up to FRA Class 1 standards making them safe for operation. Although no wide gauge exceeding 57" was found we did find several defective ties. Some areas of the tracks were covered by stone. Track in concrete needs no repairs.

Item #	Item Description	# Units		Unit Cost		AMOUNTS
1	**North Track**					
>	Mobilization	1	LS @	$625.00	/LS	$625.00
	Switch "A"					
>	Replace (6)- defective switch ties totaling 83-lin. ft.	83	LF @	$21.00	/LF	$1,743.00
	Track "B"					
>	Uncover Track from end of switch to start of concrete track	1	LS @	$585.00	/LS	$585.00
>	Replace every 3rd crosstie. Includes diposal of old tie.	40	PCS @	$110.00	/EA	$4,400.00
>	Tighten all joint bolts & replace any defective bolts.	1	LS @	$145.00	/LS	$145.00
>	Tamp Track as needed using Power Tamper	1	LS @	$450.00	/LS	$450.00
		Total Estimated Amount "North Track"				**$7,948.00**
2	**South Track**					
	Switch "C"					
>	Replace (2)- defective "Head Block" switch ties. Re-set Stand	1	LS @	$640.00	/LS	$640.00
	Track "D"					
>	Replace every 4th crosstie. Includes diposal of old tie.	28	PCS @	$110.00	/EA	$3,080.00
>	Tighten all joint bolts & replace any defective bolts.	1	LS @	$170.00	/LS	$170.00
>	Tamp Track as needed. Furnish 15 nt ballast.	1	LS @	$660.00	/LS	$660.00
		Total Estimated Amount "South Track"				**$4,550.00**
3	**Tail Track - Repair 500'±**					
>	Uncover Track Point -of_switch south 500'.	1	LS @	$600.00	/LS	$600.00
>	Replace every 4th crosstie. Includes diposal of old tie.	71	PCS @	$110.00	/EA	$7,810.00
>	Tighten all joint bolts & replace any defective bolts.	1	LS @	$375.00	/LS	$375.00
>	Tamp Track as needed. Furnish 15 nt ballast.	1	LS @	$660.00	/LS	$660.00
		Total Estimated Amount "Tail Track"				**$9,445.00**

These prices will remain firm for acceptance for 30-days and may be subject to adjustment thereafter.
All Materials Are Subject to Prior Sale.

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RESOLUTION 10-01

RE: DELTECH POLYMERS CORPORATION RAIL TURNOUT REINSTALLATION AND SPUR REHABILITATION PROJECT LOAN & GRANT

A RESOLUTION DETERMINING THE APPROPRIATENESS OF ASSISTANCE PROPOSED TO BE PROVIDED TO THE DELTECH POLYMERS CORPORATION UNDER CHAPTER 4981 OF THE OHIO REVISED CODE.

WHEREAS, this Commission as the Ohio Rail Development Commission ("ORDC") created by Chapter 4981 of the Ohio Revised Code, has the responsibility of reviewing and making recommendations to ORDC staff with respect to the assistance under Chapter 4981 of the Ohio Revised Code (the "Act") proposed to be provided; and

WHEREAS, the ORDC has under consideration the provision of assistance under the Act to Deltech Polymers Corporation (the "Company"); and

WHEREAS, the ORDC staff has submitted to this ORDC a Request for Assistance submitted by the Company; the determination of the Executive Director of the ORDC and the facts upon which such determination is based, that the proposed assistance will conform to the requirements of the Act and the terms of the proposed assistance; and

WHEREAS, the ORDC has reviewed such submissions and discussed them with the Executive Director and staff of the ORDC the proposed assistance; and

WHEREAS, on the basis of such review and discussions, the ORDC has determined that the provision of assistance to the Company, as set forth in the ORDC staff's submissions, is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the ORDC of the State of Ohio:

Section 1. That the ORDC determines that the assistance proposed to be provided under the Act to assist the Company with the Rail Service Project (as defined below) is appropriate.

Section 2. That the ORDC approves the proposed assistance to the Company, the nature, amount and terms of which are summarized in Exhibit "A" attached hereto.

Moved By
Seconded By

Upon roll call, the vote resulted as follows:

James G. Bradley, Chairman	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Thomas McOwen	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Mandy Bishop for Jolene Molitoris	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Barbara Hammontree Bennett	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Robert Greenlese	____	yes	_____	no	_____	absent	_____	abstained	____	recused
William Murdock for Lisa Patt-McDaniel	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Solomon Jackson	____	yes	_____	no	_____	absent	_____	abstained	____	recused
William Lozier	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Larry Sowers	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Herk Wolfe	____	yes	_____	no	_____	absent	_____	abstained	____	recused

ORDC ACTION: Motion approved _____
Motion denied _____ Other action _____
Date 1/14/2010

CERTIFICATE

I, the undersigned Chair of the ORDC, hereby certify that the foregoing is a true and correct record of the resolution of said ORDC.

_____ 1/14/2010
James G. Bradley, Chair Date

EXHIBIT A

A grant to the Company pursuant to Section 4981.032 of the Ohio Revised Code in the amount up to Twenty Four Thousand Dollars ($24,000) (the "ORDC Grant") and a loan in an amount of up to Three Hundred Thirty Seven Thousand Four Hundred Fifty Seven Dollars ($337,457) (the "ORDC Loan") to reinstall the CSX mainline turnout and to rehabilitate the Company owned spur tracks located in the City of Troy in Miami County ("Rail Service Project"). The terms of the ORDC Loan and Grant shall be determined by the Executive Director of ORDC.

The ORDC Grant and Loan are subject to the following condition:

1 The Company must meet all standard ORDC program requirements, including any applicable prevailing wage provisions, in expending the ORDC Grant and ORDC Loan.

2 The Company shall execute and obtain such documents as are deemed necessary by the ORDC to evidence, close and secure the ORDC Loan.

3 The ORDC shall require the Company to generate no less than forty two (42) train carloads and create twelve (12) new jobs within three years of the completion of the Rail Service Project.

PROJECT BRIEFING:
REPAIR OF W&LE MAUMEE RIVER SWING BRIDGE

January 7, 2010

Project Costs		Project Benefits
ORDC Grant	$155,000	Repair of Century Old Bridge
W&LE Funds	$155,000	Maintains W&LE Connection to CN & AARR

INTRODUCTION: The Wheeling & Lake Erie Railway (W&LE) requests a grant of up to $155,000 to repair mechanical, electrical, and other portions of its swing bridge over the Maumee River in Toledo. Staff recommends Commissioners approve a grant of up to $155,000, or 50% of total project costs, whatever is less, for the requested repairs.

BACKGROUND: As part of the Surface Transportation Board's (STB) efforts to mediate adverse impacts of the sale of Conrail to Norfolk Southern and CSX, in 1999 the STB granted W&LE trackage rights over the NS line from Bellevue to Freemont to Oak Harbor to Toledo (the former Norfolk & Western rail line). These trackage rights enabled the W&LE to reach yards of the Canadian National (Lang) and Ann Arbor (Ottawa) Railroads in Toledo for the interchange of traffic. For the W&LE to access these yards requires the W&LE to traverse a major bridge over the Maumee River which contains a swing component to allow ships and barges to use the river. A map showing the location of this swing bridge is included as Exhibit "A". A picture of the bridge is included as Exhibit "B".

By 2005, NS no longer used the swing bridge, preferring instead to use the river crossing on the former Conrail mainline which NS acquired as part of the Conrail sale. NS initially proposed abandoning the swing bridge, which would likely have been opposed by various public officials in the Toledo area and others. NS offered W&LE the opportunity to buy the bridge for a nominal fee instead of seeking abandonment. Because W&LE depended on using the bridge to keep its trackage rights to Canadian National and the Ann Arbor alive, W&LE accepted NS' offer and purchased the bridge. W&LE owns only the bridge itself, but virtually no track on either side of the bridge.

The W&LE Maumee River Bridge is located at MP 2.83 on the NS Toledo to Bellevue line. The bridge is in an active shipping channel that is used by ocean going ships as well as lake ships and barges. W&LE must open the bridge for every ship that passes. During the Lake Erie shipping season, the Maumee is a vital link for the Port of Toledo which serves major Ohio grain, coal, aggregate, and other industries so the swing bridge is left open for river traffic except for when W&LE trains need to use is. Because of congestion issues on the NS line through Oak Harbor, W&LE's trackage rights are limited to one train a day in each direction. Thus, W&LE generally uses the bridge twice a day.

Traversing the Maumee River Bridge and the trackage rights W&LE has over NS to reach Canadian National and Ann Arbor are important to the viability of the W&LE. W&LE generally runs about 12,500 carloads a year over the bridge. These carloadings represent savings to W&LE rail users. The direct W&LE routing to Canadian National and Ann Arbor retains the competition and transportation pricing advantages that existed before the Conrail sale eliminated a competitive option.

To operate the swing mechanism of the bridge requires only a single person. W&LE contracts this duty out to a local private firm. The control tower for the bridge is located on the part of the bridge that swings out in the shipping channel. The bridge tender accesses the control tower by using a small motor boat unless the winds are especially high in which case he hires out a local tug boat. The swing mechanism on the bridge is totally mechanical, using various geared mechanisms to lift and turn the well balanced bridge truss.

The W&LE has expended significant funds for continued bridge maintenance. The level of bridge investment per mile exceeds the net profits from operations per mile.

PROJECT DESCRIPTION: The W&LE Maumee River Bridge is a century old structure. The basic support structure of the bridge, i.e. the piers, abutments, trusses, stringers, bracings, etc. are sound and not in need of any major work. The mechanical, electrical, and other select components, do however need to be addressed in the short term. Below is a listing and costing of the needed work along with the rational for each work item:

Repairs Needed on W&LE Maumee River Bridge

Replace Brass Pivot Button	**$120,000**
Repair Deteriorated Bearing Seats for Swing Component	**$40,000**
Replace Deteriorated Bolts on Swing Pivot Wheels' Connections	**$5,000**
Install New Submarine Power Cable for Bridge Operations	**$70,000**
Replace Emergency Generator	**$50,000**
Replace 32 Bridge Deck Timbers, East End	**$10,000**
Replace 2 Bridge Timber Stringers & Damaged Timber Bent	**$15,000**
Total	**$310,000**

- The brass pivot button is a large circular plate on which the entire swing structure rotates. The current button is badly worn. The entire truss that swings on the button must be lifted up to replace the button which is why this repair item is costly.
- The bridge bearings are basically plates of metal that hold the weight of the swing component of the bridge. The seats they sit on are stone or concrete components on the bridge piers. Deterioration of the seats have caused pumping action that impacts the transition rails between the stationary and swinging portion of the bridge which in turn causes mechanical problems. The bearing seats must be rehabilitated and leveled off with a concrete/polymer product.
- Connecting bolts on the swing pivot wheels need to be replaced.
- The power to operate the mechanics that swing the bridge is electricity from the east side of the river. The submarine cables that carry this power along the bridge are about 50 years old and are very frayed and deteriorated. The cables must be replaced. W&LE plans to have a new trench dug in the bottom of the river so that a new submarine conduit can be installed and new wiring installed. With the submarine conduit in place, any future new wiring that is required could simply be run through the conduit.
- The emergency reserve power for the operation of the bridge is an old diesel generator located in the control tower of the bridge. It is no longer functioning. In addition to the obvious issue of having a diesel generator inside the control tower where the bridge operator works, W&LE can no longer find parts for the old generator so it cannot be repaired. A new generator located out of doors on one of the piers is needed for effective back up power in case of an electrical outage.
- The bridge has a small wooden truss on the east end of the structure that connects with the through truss portion of the structure. Deteriorated wooden components on the deck and below need to be replaced.

The W&LE will continue to own and be responsible for the maintenance of the bridge.

WHY ORDC FUNDING IS NEEDED: When the W&LE obtained trackage rights to Toledo, it did not envision that it would need to acquire the Maumee River Bridge and take on the expensive maintenance of its swing components. The bridge maintenance requirements that W&LE took on are extraordinary maintenance.

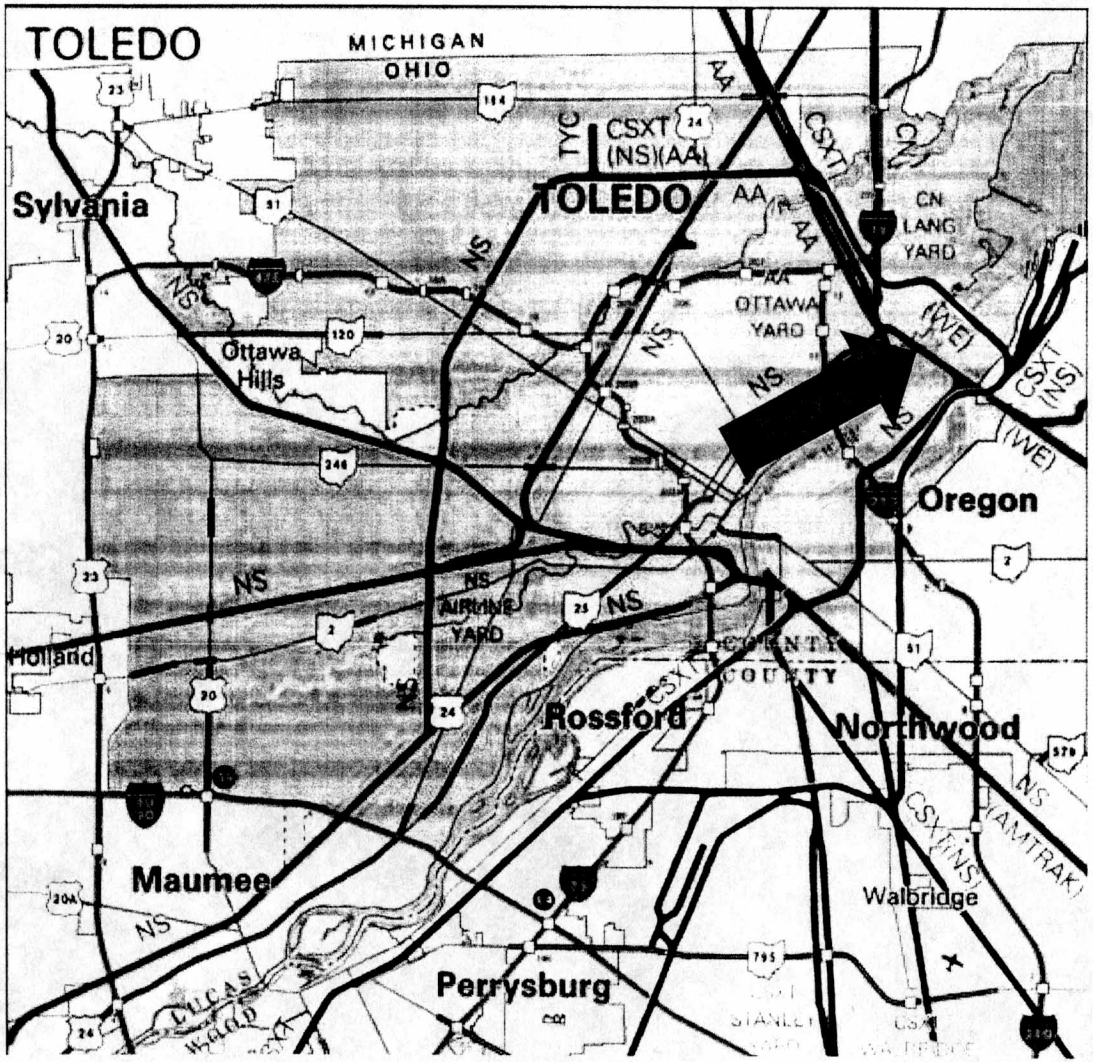
PROJECT BENEFITS:

- The bridge repair project provides W&LE with a secure route to interchanges with Canadian National and Ann Arbor.
- It provides Ohio rail users with cost savings by maintaining the rail to rail competition that existed before the Conrail sale.
- It prevents the adverse impacts that would result if the swing bridge failed to operate properly, i.e. either the disruption of W&LE rail traffic, or the disruption of Lake Erie and ocean shipping, or both rail and water transport if the bridge were to break down in a half open position.

OTHER CONTRIBUTIONS: W&LE will pay at least 50% of all repair costs.

W:W&LEMaumeeBridgeBriefing

W&LE Maumee River Bridge



35

"B"

RESOLUTION 10-02

RE: WHEELING & LAKE ERIE RAILWAY Maumee River SWING BRIDGE REHABILITATION PROJECT GRANT

A RESOLUTION DETERMINING THE APPROPRIATENESS OF ASSISTANCE PROPOSED TO BE PROVIDED TO THE WHEELING & LAKE ERIE RAILWAY UNDER CHAPTER 4981 OF THE OHIO REVISED CODE.

WHEREAS, this Commission as the Ohio Rail Development Commission ("ORDC") created by Chapter 4981 of the Ohio Revised Code, has the responsibility of reviewing and making recommendations to ORDC staff with respect to the assistance under Chapter 4981 of the Ohio Revised Code (the "Act") proposed to be provided; and

WHEREAS, the ORDC has under consideration the provision of assistance under the Act to Wheeling & Lake Erie Railway (the "Company"); and

WHEREAS, the ORDC staff has submitted to this ORDC a Request for Assistance submitted by the Company; the determination of the Executive Director of the ORDC and the facts upon which such determination is based, that the proposed assistance will conform to the requirements of the Act and the terms of the proposed assistance; and

WHEREAS, the ORDC has reviewed such submissions and discussed them with the Executive Director and staff of the ORDC the proposed assistance; and

WHEREAS, on the basis of such review and discussions, the ORDC has determined that the provision of assistance to the Company, as set forth in the ORDC staff's submissions, is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the ORDC of the State of Ohio:

Section 1. That the ORDC determines that the assistance proposed to be provided under the Act to assist the Company with the Rail Service Project (as defined below) is appropriate.

Section 2. That the ORDC approves the proposed assistance to the Company, the nature, amount and terms of which are summarized in Exhibit "A" attached hereto.

Moved By
Seconded By

Upon roll call, the vote resulted as follows:

James G. Bradley, Chairman	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Thomas McOwen	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Mandy Bishop for Jolene Molitoris	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Barbara Hammontree Bennett	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Robert Greenlese	____	yes	_____	no	_____	absent	_____	abstained	____	recused
William Murdock for Lisa Patt-McDaniel	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Solomon Jackson	____	yes	_____	no	_____	absent	_____	abstained	____	recused
William Lozier	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Larry Sowers	____	yes	_____	no	_____	absent	_____	abstained	____	recused
Herk Wolfe	____	yes	_____	no	_____	absent	_____	abstained	____	recused

ORDC ACTION: Motion approved _____
Motion denied _____ Other action _____
Date 1/14/2010

CERTIFICATE

I, the undersigned Chair of the ORDC, hereby certify that the foregoing is a true and correct record of the resolution of said ORDC.

_____ 1/14/2010
James G. Bradley, Chair Date

EXHIBIT A

A grant to the Company pursuant to Section 4981.032 of the Ohio Revised Code in the amount up to One Hundred Fifty Five Thousand Dollars ($155,000) (the "ORDC Grant") to repair mechanical, electrical, and other portions of the Company's swing bridge over the Maumee River located in the City of Toledo in Lucas County ("Rail Service Project"). The terms of the ORDC Grant shall be determined by the Executive Director of ORDC.

The ORDC Grant is subject to the following condition:

The Company must meet all standard ORDC program requirements, including any applicable prevailing wage provisions, in expending the ORDC Grant.

Revised ORDC Committee Structure

Contract and Property Advisory Committee (Big Deal Committee)

- Provide guidance on large or high profiles items that will require Commission action. (ie. Panhandle lease, Piney Fork Sale, 3C Quick Start).

Governance and Operational Policy Committee

- Ensure compliance of operations and policies with the Authorizing Legislation and By-Laws of the Commission.
- Review and recommend policies for Commission on such things as loan and lease fees, Commission approval authorities, and standardized fees for administration of other funds to the commission, project selection criteria, etc.
- Provide guidance on budget.
- Provide guidance on human resources issues.
- Assist Public Information Officer with development and implementation of Commission outreach efforts with a focus on the role of Commissioners in that effort. Specifically coordinate commissioner activity with outreach and education efforts.

Strategic Planning Committee

- Research topics of interest (regulatory, policy or trends) in the rail industry to:
    - Determine the potential effects on the state of Ohio both rail and shippers operating in Ohio.
    - Assess whether the Commission should take a position as well as the repercussions of such a position would have
    - Determine a recommended position for the Commission
    - Determine the appropriate level of response by the Commission (i.e. request for funding to study issue, nothing, letter of support, motion, resolution, etc.)
- Position Commission to take advantage of potential future funding opportunities

MEETING MINUTES:
ORDC SPECIAL COMMITTEE TO REVIEW CURRENT COMMITTEE STRUCTURE
(COMMITTEE ON COMMITTEES)

December 15, 2009

On December 14, 2009, the Ohio Rail Development Commission Ad Hoc "Committee on Committees" met at the Ohio Department of Transportation. The meeting started at approximately 10:15 AM and ended at approximately 12:45 PM. In attendance were Committee members Commissioner James Bradley (ORDC Chair), Commissioner Tom McOwen (ORDC Vice-Chair), Commissioner Bill Lozier, and Matt Dietrich (ORDC Executive Director). Also attending were Commissioner Herk Wolfe, Megan McClory (ORDC Secretary-Treasurer), Susan Kirkland (ORDC Chief, Grade Crossing Safety), Lou Jannazo (ORDC Chief of Project Development) and William Fitzgibbon, of Chester, Willcox, and Saxbe.

Mr. Bradley began the meeting with an overview of what he was looking for in the restructuring of existing ORDC Standing Committees, i.e. committees for which members are ORDC Commissioners or their official delegates. ORDC Staff passed out the "Committee Roster" for the six committees discussed. Mr. Bradley posed the following three questions:

1. Will the restructuring improve Commission effectiveness?
2. Will the restructuring help staff in the execution of its responsibilities?
3. Will the restructuring enhance communication with constituencies that ORDC serves?

Chairman Bradley noted that the time the Commissioners spend at the bi-monthly Commission meetings is equivalent to Commissioners being in the office for five minutes a day compared to the eight hours each day that staff work. He related that his management style was to get good people, train them, communicate with them, and then get out of the way and let them do their jobs and at times learn from their mistakes. He noted that virtually every Commissioner he talked to about the restructuring of ORDC committees stated that Commissioners should avoid micro-managing staff, a concept that he noted was sometimes easier said than done. Mr. Bradley noted that he was thinking about recommending that ORDC Committees meet in the mornings of Commission Meetings and follow the Committee Meetings with the full Commission Meeting.

After Chairman Bradley's introduction, discussions began on a wide variety of topics. Commissioner Wolfe noted that the Staff was already very busy and that Commissioners actions should augment Staff efforts, not add an additional burden. Vice-Chairman McOwen added that ORDC committee structure should enable ORDC to take a step back and look at strategic issues so ORDC could be proactive at times and not always reactive. Commissioner Lozier noted that ORDC needs to keep its Mission Statement in mind and use ORDC committees to set policies and guidelines such as funding formulas. Director Dietrich noted that he believed the best use of Commissioners time was for them to "look outward" to working with various ORDC constituencies, acting as "adjunct staff" for ORDC for select issues. Director Dietrich noted that one of the most important functions of ORDC is to be a "Bully Pulpit" on policy issues and that Commissioners help in this regard is very valuable. He noted that Stu Nicholson of the ORDC Staff is working on a Communication Strategy. All Committee members agreed that committees are needed to further the work of ORDC and discussions of specific proposals began.

Chairman Bradley steered the conversation to the issue of what Commissioners see of ORDC actions. He noted that the meetings concentrate on specific issues such as which bridge to repair but not the "big picture". He posed the issue of having an "emerging issues" committee or a "big deal" committee to concentrate on the strategic issues ORDC might address. He noted that he did not want to go through the exercise of establishing a new Mission Statement and that the existing statement, as well as our legislative mandate, are both clear. There was much discussion as to where and how Staff and Commissioners can get information on big picture,

strategic issues. Commissioner Wolfe volunteered to send along his copy of a weekly US Rail News publication which he noted was as up to the minute as any publication. A variety of other ways to keep up on the rail industry were also discussed.

The Committee spent considerable time discussing which existing committees to keep and how to rearrange committees. Commissioner Lozier stated that ORDC might consider aligning committees with staff functions. Chairman Bradley expressed fears that such a structure might inherently lead to micro-managing of Staff. Secretary-Treasurer McClory suggested that a Budget & Operations Committee might be appropriate to address needed ORDC activities. Section Chief Kirkland warned that such a committee could lead to micro-management. Vice-Chairman McOwen stressed that there definitely needs to be a committee that addresses long term strategy. The issue of where passenger rail would fit into the big picture was discussed at some length with all agreeing that if 3C passenger service is initiated, the shape of the Commission will be dramatically altered, especially at the staff level. Various other committee names and functions were also discussed.

Chairman Bradley noted that the Committee was having a difficult time with names of potential committees and that what the committees were charged with doing was the critical issue, with the names of the committees flowing from their ultimate charge. He suggested that he and Director Dietrich would use the input from this Committee meeting to put together a recommendation that ORDC Commissioners adopt a new committee structure of only three standing committees to be named later but to basically to encompass 1) operations, 2) big deal issues, and 3) strategic planning/long term issues. Chairman Bradley suggested that he and the Director would come up with committee names and basic committee functions but that the committees themselves would use the basic outline provided to better define the committee and its functions.

There was a discussion of how to handle issues such as the lease of the Panhandle or other major issues that warrant Commissioners' input but would not be long term committees. Section Chief Kirkland noted that in her work on national committees, special ad hoc committees were formed by the larger committees with the specific understanding that the ad hoc committees would meet at different times than the full committee to enable participation by those most interested and skilled in the ad hoc mission. There was general agreement that standing committees would recommend which ad hoc committees would be formed.

The general agreement from the Committee meeting was that the Chairman and Director would develop preliminary committees and job duties. The Director was tasked with sending the result out to all Commissioners for the purpose of getting individual, one at a time, input on the proposal. There was agreement by the Committee members that the committee proposal be presented to at the January 14, 2010 Commission Meeting for consideration.